

FISCAL NOTE

HB 690 - SB 843

April 12, 2001

SUMMARY OF BILL:

- Provides that no child shall be permitted to attend any public school, nursery school, kindergarten, preschool, or child care facility until proof of insurance coverage for the child is given to the admissions officer of the schools, nursery school, kindergarten, preschool, or child care facility.
- Provides that each child attending any school, nursery school, preschool, or child care facility without furnishing proof of health insurance coverage shall not be counted in the average daily attendance of students for the distribution of state school funds.
- Requires the Commissioner of Education to promulgate rules and regulations necessary to carry out the requirements of the bill.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – 1) Increase in state expenditures exceeding \$100,000 in the TennCare Program for students who become covered under the TennCare Program who, in the absence of this bill, would not have applied for such coverage; 2) Decrease in state expenditures exceeding \$1,000,000 and a corresponding increase in local government expenditures for children not counted for ADM purposes because of lack of proof of health insurance coverage (assumes children could not be prevented from attending school).

Estimate assumes:

- BEP funding is distributed on the basis of Average Daily Membership (ADM).
- The responsibility to fund the BEP is shared between the state and local governments.
- Currently the BEP generates \$2,573 per student in state funds and \$1,235 per student in local funds. The local amount is the minimum required amount and local governments may decide to provide additional funds.
- The total number of children in Tennessee age 17 and under is approximately 1.2 million.
- The ADM in 1999-00 for grades K-12 was 894,396, of this number; there were 42,036 uninsured children.

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Currently, the TennCare for Children Program provides health insurance to uninsured children. The eligibility requirements are the following:

- Children under the age of 19, regardless of family income, who have no health insurance;
- Children under the age of 19 who cannot get health insurance through their parent's jobs; or
- Children who can get health insurance through their parent's jobs but have family incomes below 200% of poverty.

According to the TennCare Bureau, if these uninsured students applied for coverage under TennCare, most of these children would be eligible under current TennCare regulations.

It should be noted, T.C.A. 49-6-3001(c)(1) states: Every parent, guardian or other legal custodian residing within this state having control or charge of any child or children between six (6) years of age and seventeen (17) years of age, both inclusive, shall cause such child or children to attend public or non-public school, and in event of failure to do so, shall be subject to the penalties hereinafter provided. The local education agency in which a transfer student seeks to enroll may require disclosure and copies of the student's records in accordance with the Family Education Rights and Privacy Act including, but not limited to, disciplinary records from educational agencies where the student was previously enrolled.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director